

AMENDMENT OFFERED BY MR. GREEN OF TEXAS
TO THE MEDICAID RECONCILIATION PROVISIONS

Page 46, line 15, strike " SEC. 3471. REFORMING DISPROPORTIONATE SHARE PAYMENTS UNDER STATE MEDICAID PROGRAMS" and all that follows through page 48, line 25, and insert the following:

SEC. 3471. ADJUSTMENT TO STATE DSH ALLOCATIONS.--Subsection (f) of section 1923 is amended to read as follows:

"(f) LIMITATION ON FEDERAL FINANCIAL PARTICIPATION.--

"(1) IN GENERAL.--Subject to section 1903(x), payment under section 1903(a) shall not be made to a State with respect to any payment adjustment made under this section for hospitals in a State (as defined in paragraph (3)(B)) for quarters in a fiscal year in excess of the State disproportionate share hospital (in this subsection referred to as 'DSH') allotments for the year (as specified in paragraph (2)).

"(2) DETERMINATION OF STATE DSH ALLOTMENTS.--

"(A) IN GENERAL.--The DSH allotment for a State is equal to its State 1995 DSH spending minus--

"(i) for fiscal year 1998, 0;

"(ii) for fiscal year 1999, 10 percent of the State multiplier;

"(iii) for fiscal year 2000, 20 percent of the state multiplier;

"(iv) for fiscal year 2001, 25 percent of the State multiplier; and

"(v) for 2002 and after, 35 percent of the State multiplier.

"(3) DEFINITIONS.-- In this subsection:

1 "(A) STATE.—The term 'State' means the 50 States
2 and the District of Columbia.

3 "(B) STATE 1995 DSH SPENDING.—The term 'State 1995
4 DSH spending' means, with respect to a State, the total
5 amount of payment adjustments made under subsection (c)
6 under the State plan during fiscal year 1995 as
7 reported by the State no later than January 1, 1997, on
8 HCFA Form 64."

9 "(C) STATE MULTIPLIER.—The term 'State multiplier'
10 means, with respect to a State, the lesser of—

11 "(1) the State 1995 DSH spending; or

12 "(2) 12 percent of the total amount of
13 expenditures made under the State plan under this
14 title for medical assistance during fiscal year
15 1995 as reported by the State no later than
16 January 1, 1997 on HCFA Form 64."

17 (2) EFFECTIVE DATE.—The amendment made by paragraph (1)
18 shall apply to fiscal years beginning with fiscal year 1998.

19 (c) SUPPLEMENTAL PAYMENTS.—Title XIX is amended by adding
20 after section 1923 the following new section:

21 "SUPPLEMENTAL PAYMENTS FOR TRANSITION TO THE
22 REFORMED MEDICAID PROGRAM

23 "SEC. 1923A. (a) GRANTS TO STATES AND OTHER ENTITIES FOR
24 TRANSITION TO THE REFORMED MEDICAID PROGRAM.—

1 "(1) IN GENERAL.—The Secretary shall make grants under
2 this subsection to states and other entities, that the
3 Secretary determines are in need of grants to ease the
4 transition from operation of the program under this title,
5 as in effect on the day before the date of the enactment of
6 this section, to the operation of the program after the
7 effective date of the amendments to this title that are made
8 by sections 11511 and 11512 of the Balanced Budget Act of
9 1997. The Secretary shall establish the eligibility
10 criteria, allocation formula, and payment methodology for
11 transition grants in regulations issued under this
12 subsection, which shall be published not later than October
13 1, 1997.

14 "(2) AMOUNTS AUTHORIZED.—For purposes of paragraph (1),
15 there are authorized to be appropriated \$400,000,000 for
16 fiscal year 1999; \$300,000,000 for fiscal year 2000;
17 \$200,000,000 for fiscal year 2001; and \$100,000,000 for
18 fiscal year for 2002.

19 "(3) EXTENDED AVAILABILITY OF FUNDS.—Amounts authorized
20 under this subsection and not required by a grantee for the
21 purposes of this subsection in a fiscal year may be used by
22 the grantee for those purposes in any subsequent fiscal
23 year, and shall remain available until expended.